

G 01551A-07-0504

ORIGINAL



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ARIZONA CORPORATION COMMIS  
UTILITY COMPLAINT FORM

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Investigator: Brad MortonPhone: [REDACTED]Fax: [REDACTED]Priority: Respond Within Five DaysOpinion      No. 2008 - 66589Date: 2/20/2008Complaint Description:      08A Rate Case Items - Opposed  
N/A Not ApplicableComplaint By:      First: Rosalind      Last: BarkAccount Name: Rosalind BarkHome: (520) 000-0000Street: [REDACTED]Work:City: TucsonCBR:State: AZ      Zip: 85719is:Utility Company: Southwest Gas CorporationDivision: GasContact Name: Margie McGovernContact Phone: [REDACTED]Nature of Complaint:

Docket # G-01551A-07-0504

Rosalind Bark

[REDACTED]  
Tucson, AZ 85719

Arizona Corporation Commission

DOCKETED

FEB 25 2008

Arizona Corporation Commission  
Consumer Services Section  
1200 West Washington  
Phoenix, AZ 85007

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2008 FEB 25 A 9:45  
AZ CORP COMMISSION  
DOCKET CONTROL

February 13, 2008

Re: Docket No. G-01551A-07-0504

L would like to express my reservations about the SWG rate hike based on three key economic points: (1) the proposed hike is regressive; (2) misrepresented; and (3) contrary to climate change control.

First the proposed price hike would raise the standing charge for connection to the SWG infrastructure. SWCI customers pay this charge regardless of use; therefore, high gas users spend a smaller proportion of their total bill on the charge than low gas users. This is regressive and penalizes low gas users, users that are frugal either because of limited incomes or conservation ethic.

Second, the rate hike has been misrepresented to the ACC and to SWG customers by comparing an average summer and average winter gas bill with and without the charge increase. The average bill should not be used because it is not equivalent to the average consumer. This is because a small proportion of SWG customers are large gas users - these customers raise the average gas bill. A fairer comparison would be to the median gas bill. Although this data is not available to SWG customers the ACC could request it. It is highly likely that the

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median gas bill is much lower than the average bill and therefore the percentage increases quoted by SWG are underestimated. A large proportion of SWG customers will have their summer and winter gas bills rise by much more than the 11.23% and 5.40% increases quoted by SWG,

Finally, increasing standing charges does not provide a price signal to consumers to conserve gas by perhaps insulating their hot water heater, turning down the thermostat on their hot water heater and furnace, insulating their attics, buying ultra high efficiency furnaces and water heaters, etc.,. If Arizona wishes to be a leader among the states in greenhouse gas (GHG) reduction then the source of GI-IGs should be targeted, i.e. by raising the prices of carbon-containing fuels, not by raising standing charges that have no correlation with actual gas use. If the costs per therm were raised then those customers who use more gas will pay more and have incentives to conserve, like AAC is concerned that some lower-income consumers may be affected then it could directly help these consumers but still leave the price signal to influence behavioral decisions by all other consumers.

Yours sincerely

Dr. Rosalind Bark  
\*End of Complaint\*

### Utilities' Response:

### Investigator's Comments and Disposition:

Opinion entered and docketed, no telephone listing for consumer.  
\*End of Comments\*

Date Completed: 2/20/2008

Opinion No. 2008 - 66589

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